

DEPARTMENT OF VETERANS AFFAIRS

**Justification and Approval
For
Other Than Full and Open Competition**

1. **Contracting Activity:** Department of Veterans Affairs, Network Contracting Office 21 (NCO), on behalf of VA Palo Alto Health Care System – Procurement Request 640-13-3-157-0009
2. **Nature and/or Description of the Action Being Processed:**
This is a new action for the firm-fixed-price medical services involving Program of All-Inclusive Care for the Elderly (PACE).
3. **Description of Supplies/Services Required to Meet the Agency's Needs:**
This is a sole source procurement to establish and contract between VA Palo Alto Health Care System and the contractor, On-Lok Lifeways to provide medical services involving the Program of All-Inclusive care for the Elderly (PACE). The contractor shall provide a non-institutional option for a group of frail elderly Veteran patients with nursing home level of care needs. The contractor is required to provide comprehensive primary, acute and long term care services to individuals certified eligible by their State for nursing home level of care, and can provide these services directly or under contract with eligible providers, i.e., providers who meet Medicare or Medicaid requirements as applicable.
4. **Statutory Authority Permitting Other than Full and Open Competition:**

(X) (1) Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per FAR 6.302-1;

() (2) Unusual and Compelling Urgency per FAR 6.302-2;

() (3) Industrial Mobilization, Engineering, Developmental or Research Capability or Expert Services per FAR 6.302-3;

() (4) International Agreement per FAR 6.302-4

() (5) Authorized or Required by Statute FAR 6.302-5;

() (6) National Security per FAR 6.302-6;

() (7) Public Interest per FAR 6.302-7;
5. **Reason for Authority Cited:**
The authority cited in paragraph 4 must be used because On Lok is the only provider of Program for All-Inclusive Care of the Elderly (PACE) in the San Francisco area. There are no alternative PACE providers of this medical service for this geographic area.
6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:**
This requirement will be synopsisized in the GPE as required by FAR 5.201. The synopsis will allow other offerors to respond.

7. **Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:**

The Contracting Officer has determined that the anticipated price will be determined to be fair and reasonable. A Price Negotiation Memorandum (PNM) will detail how the Government has determined that the anticipated costs will be fair and reasonable. As this service has been determined to be commercial, cost or pricing data will not be required. Pricing techniques such as are described in FAR 15.404-1(b)(2), will be used to establish price fairness and reasonableness.

8. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:**

Market research was conducted by searching for PACE providers using the Medicaid.gov website and the National PACE Association website to see any alternate sources provide these services. Only On Lok Lifeways was found to be able to provide these required services in the San Francisco area.

9. **Any Other Facts Supporting the Use of Other than Full and Open Competition:**

Any supporting data that is the responsibility of technical or requirements personnel (e.g., verifying the Government's minimum needs or requirements or other rationale for limited sources) and which form a basis for the justification have been certified as complete and accurate by the technical or requirements personnel. The evidence for this is the "Technical Data to Support a Restricted Competition" in the contract file.

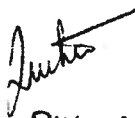
10. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:**

On Lok Lifeways
1333 Bush Street
San Francisco, CA 94109-5611

11. **A Statement of the Actions, if any, the Agency May Take to Remove or Overcome any Barriers to Competition before Making subsequent acquisitions for the supplies or services required:**

No other contractor offers the PACE services in this geographic location.

12. **Requirements Certification:** I certify that the requirement outlined in this justification is a Bona Fide Need of the Department of Veterans Affairs and that the supporting data under my cognizance, which are included in the justification, are accurate and complete to the best of my knowledge and belief.


RUCHIRA SAMMSY
Name and Title

8/14/13
Date

13. Approvals in accordance with FAR 6.304

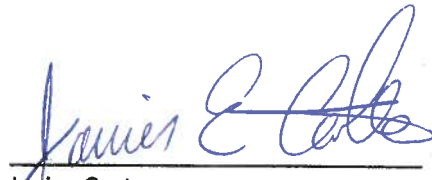
Contracting Officer's Certification: I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.



Craig A. Erickson
Contract Specialist
NCO 21

8/28/13

Date



Javier Castro
Manager, Medical Sharing Team II
Contracting Officer
NCO21

9/4/2013

Date